



Foreign Agricultural Service

GAIN Report

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Taiwan

Promotion Opportunities Report

December 1999

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ATO Taipei

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Market Information:

-- In preparation for gift giving at Chinese New Year in February 2000, many of Taiwan's alcoholic dealers are aggressively promoting gift packs via various marketing strategies.

-- The department store industry grew significantly over the past 7 years and is expected to continue to grow over next few years.

changes: No

Includes PSD

Includes Trade Matrix: No
ATO Taipei

PROMOTION OPPORTUNITIES REPORT - TAIWAN

I. Upcoming Promotional Activities/Events

The promotional activities listed below are provided for informational purposes only. No endorsement is implied unless specifically stated. Terms and conditions of participation are the responsibility of the activity organizer. Please contact the organizer directly for further information.

A. Trade Shows

Event: 2000 Taipei International Food Show
Date: June 15-18, 2000
Venue: Taipei World Trade Center Exhibition Hall
Contact: Agricultural Trade Office
American Institute in Taiwan
54 Nan Hai Road, Taipei, Taiwan
Tel: (886-2) 2305-4883; Fax: (886-2) 2305-7073
E-Mail: ato@mail.ait.org.tw
<http://ait.org.tw/ait/AGRI/ato.htm>

The Taipei International Food Show is the largest and most popular trade and consumer (open to consumers for only one day) food show in Taiwan, providing excellent access to local food importers, wholesalers, distributors and retailers. The 1999 event had a total of 510 participants from 30 countries and attracted more than 45,000 visitors. The show organizer of the 2000 show is, as in previous years, CETRA Taipei. The ATO Taipei will organize the American Pavilion at the 2000 Show. Among the pre-show activities planned by the ATO/Taipei are a media briefing, exhibitor breakfast seminar and reception aimed at promoting the American Pavilion, and providing U.S. exhibitors with additional opportunities to learn about the market and gain access to potential local business partners. U.S. companies and Taiwan importers/agents of U.S. food and beverage products wishing to participate in the show should contact ATO/Taipei for further details.

B. Retail In-Store Promotions

Event: 1999 American Food Festival
Date: December 10 - January 6, 1999
Venue: Sinon Supermarkets/Hypermarkets
contact: Agricultural Trade Office
American Institute in Taiwan
54 Nan Hai Road, Taipei, Taiwan
Tel: (886-2) 2305-4883; Fax: (886-2) 2305-7073

<http://ait.org.tw/ait/AGRI/ato.htm>

E-Mail: ato@mail.ait.org.tw

The Sinon Group is planning an in-store promotion in all 30 outlets from December 10 to January 6, 2000. Sinon sent four purchasing officials to visit the States of Washington and Idaho in mid-October. The main purpose of this trip was to purchase products for this in-store promotion. According to Sinon, they will print a 16-page DM featuring American products to distribute to their 500,000 customers in Central Taiwan. They are also negotiating with several local U.S. companies, such as United Airlines, about co-sponsorship of the event. Sinon Supermarket/Hypermarket is the largest retail chain in central Taiwan with 30 outlets. U.S. companies interested in expanding their business with the Sinon Supermarket/Hypermarket are encouraged to contact the Sinon Group directly.

C. HRI Promotions

-- The Christmas feast is the highlight of promotion in December among Taiwan's hotel restaurants. All Taiwan's international hotels will feature a series of special activities, including Christmas dinner buffet and set menu, live entertainment, dance party, and raffle draw. Smoke salmon, roasted turkey or beef and pumpkin pie are the major dishes featured at Christmas.

Event: U.S. Chicken/Turkey Sample Tasting/Technical Seminar
Date: January 5, 2000
Venue: Agora Garden Hotel
Contact: John Ho, Taiwan Representative
USA Poultry and Egg Export Council
14F-11, 189 Keelung Road, Section 2, Taipei
Tel: (886-2) 2739-8897
Fax: (886-2) 2739-8797

The USA Poultry and Egg Export Council (USAPEEC) will be sponsoring a turkey/chicken sample tasting/technical seminar at the Agora Garden Hotel on January 5, 2000. The main topic of the seminar is "The Application of U.S. Chicken/Turkey Meat in Mass Food Production." Around 80 food executives from Taiwan's food services in hospitals and institutions are expected to attend this seminar.

II. Key Market Information

General Economy in Brief

-- According to Taiwan's Ministry of Finance (MOF), imports for November rose sharply by 14.5% to US\$10.1 billion while exports also grew significantly by 11

percent to a record high of US\$11.55 billion. Imports were boosted mainly by export-oriented enterprises in need of more imported raw materials and semi-finished products and by the government's economic-stimulus package. Import of agricultural products grew by 4.9 percent, a reverse from the originally-expected decline of 13.4 percent.

– The population of Taiwan and its offshore islands totaled 22,077,000 at the end of November, according to Statistics released by the Ministry of Interior. The figure represents an increase of 164,000 over the same month last year, with an annual increase of 7.53 per thousand. Taipei City ranks first in population density with 610 persons per square kilometer.

Food Market In Brief

Department Store Sector

Approximately 7 new department stores will open in Taiwan before the Chinese Year holiday (February 4 - 8, 2000). This segment generated total revenues of approximately US\$4.2 billion in 1998, compared to 1.8 billion generated in 1993. The number of stores grew from 34 in 1993 to 51 as of October 1999. Most department stores in Taiwan have supermarkets in their basements. The main effect of these supermarkets is to draw customers to the store by carrying a wide range of gourmet products. The department store industry will continue to expand over the next few years. The industry continues in its strong competition phase.

Wine Gift Packs

In preparation for the gift giving at Chinese New Year (February 4-8, 2000), many of Taiwan's beverage companies dealers printed gift box brochures and adopted various promotional strategies. These activities marked the start of the scramble for the Chinese New Year gift box market. Of the many kinds of gift boxes given, alcoholic beverage gift boxes are one of the most popular items. Currently, all of Taiwan's wine dealers are aggressively promoting wine gift packs by holding product presentations to retailers. In celebration of the millennium and the year of the dragon, a local wine importer indicated that they have designed various kinds of gift packs with the theme of the "dragon." Reportedly, the millennium year of dragon takes place only once every three thousand years. Estimated total Chinese New Year sales of alcoholic beverages is approximately US\$194 million. The retail prices for alcoholic gift packs varies from \$7 to \$130.

Health Foods

Taiwan's Department of Health recently approved a garlic fish oil being legally marketed as a health food. This is the first case being approved since the promulgation of the Health Food Administration Law effective on August 3, 1999. According to Taiwan's Department of Health (DOH), products which make health

food claims must prove that they possess the ability to contribute to the overall health of those consuming them. Health foods should never claim to prevent illnesses. Any product which claims to be a health food will have to receive DOH's approval before being able to be labeled as such. The estimated size of the market for health foods was US\$645 million before the implementation of the new Health Food Administration law. With the implementation of the stricter standards, the size of the market size has been revised downwards to US\$130 million in 2000.

III. Newly Released Reports

The following updated market briefs are currently available from the ATO/Taipei (<http://ait.org.tw/ait/AGRI/ato.htm>) or from the FAS homepage (<http://www.fas.usda.gov>):

– Taiwan Export Guide

Market overview, exporter business tips, market sector structure and trends, best high value product prospects, key contacts and further information

– Broccoli and Cauliflower Market Brief

Executive summary, market access, trends in consumption, trade and competition, distribution channels, tips for exporters, list of key importers.

– Potato Product Market Brief

Executive summary, market access, trends in consumption, trade and competition, distribution channels, tips for exporters, list of key importers.

– Tomato Product Market Brief

Executive summary, market access, trends in consumption, trade and competition, distribution channels, tips for exporters, list of key importers.

– Lettuce Product Brief

Executive summary, market access, trends in consumption, trade and competition, distribution channels, tips for exporters, list of key importers.

– Ice Cream and Frozen Desserts Market Report

Executive summary, market access, trends in consumption, trade and competition, distribution channels, retail sales, and tips for exporters.

-- Stone Fruits

Summary, market access, trends in consumption, trade and competition, and distribution channels.

-- Candy

Executive summary, market access, trends in consumption, trade and competition, distribution channels, and Taiwan importers.

-- Food Processing/Food Ingredients

Food industry overview, trends, market structure, best prospects, competition, selling to Taiwan food processing companies, import policies/requirements, list of importers/food processors/industry associations

-- Frozen Vegetables/Potatoes

Executive summary, market barriers, market share/competition, frozen corn, frozen potatoes, distribution, labeling, market access/tariffs, list of importers.

-- Indirect Imports Into Taiwan

Direct imports of PRC products are currently banned for political reasons. Indirect imports from the PRC via third territories are mainly raw materials and semi-finished products, such as some vegetable seeds and potato starch.

-- Taiwan Food Service

Executive summary, food service structure, consumer information, how to develop products suited to the market, market segmentation, use of imported food products in the food service industry, opportunities for U.S. exporters, trends, competition amongst fast food chains, other considerations.

-- Taiwan Food Retail

Demographics, distribution channels, factors influencing buying decisions, pricing, what retailers look for judging new products, competition, trends, opportunities for U.S. exporters, best market prospects.

-- Organic Food

General market overview, imported organic foods, organic farming in Taiwan, certification, marketing channels, consumers' perspective of organic foods, and import policy.

-- Seafood

General market overview, U.S. market position, trade restrictions, sanitary/phytosanitary measures, consumer preferences and consumption trends, third-country competition, domestic competition, distribution system, and market promotion.

-- Wine

Market overview, U.S. market position, competition, trade restrictions, distribution, pricing, consumer preference and consumption trends, market promotion activities.

-- Pure juice/juice drinks

General market overview, U.S. market position and competition, pricing, trade restrictions, distribution, consumer preference and consumption trends, market promotion activities, and concentrated juice.

-- Fresh Fruits and Vegetables

General market overview, U.S. market position and competition, pricing, trade restrictions, distribution, consumer preference and consumption trends, market promotion activities, and market promotion activities.

– Food and Agricultural Import Regulations and Standards (FAIRS report), Taiwan food laws, labeling requirements, food additive regulations, pesticide and other contaminants, other regulations and requirements, other specific standard, copyright/trademark law, and import procedures.

VI. Other Information

1999 Best Prospects for Consumer Ready Foods

- Organic/natural foods
- Frozen/micro-waveable foods/other convenience foods
- Chilled products
- Fresh fruits and vegetables
- Baked products
- Health-oriented (low-fat, high-fiber, and low-cholesterol) snack foods
- Beverages

End Report

The ATO Taipei is currently planning a variety of upcoming promotional events in both the retail and HRI sectors. U.S. companies interested in participating in ATO Taipei promotional activities, should contact the ATO/Taipei directly at:

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